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FOREIGN AGRICULTURE CIRCULAR

OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

FPE 2-48

April 15, 1948

THE POULTRY AND EGG INDUSTRY IN THE REPUBLIC OF PANAMA

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INTRODUCTION

Poultry raising by scientific methods is still in its infancy in the Republic of Panama. Important interest by the Government of Panama in developing its agricultural resources dates back only to 1940 when the Section of Agriculture of the Ministry of Agriculture, Commerce and Industry was organized. Previous to that time the Section of Agriculture was part of the Ministry of Education. During the last few years the Ministry of Agriculture, Commerce and Industry has shown an interest in agriculture by encouraging farmers to increase production of native products including livestock and poultry in an attempt to satisfy domestic requirements. The Government of Panama has been assisting the poultry industry by supplying farmers with baby chicks, feed, medicine, and other aids. However, the extent of this assistance is not great.

Although the Republic's population of more than 700,000 inhabitants, not to mention the population of the Canal Zone, could support a large poultry business, domestic production is still inadequate for local requirements, thus necessitating annual imports of poultry and eggs in appreciable quantities.

Farmers state that chicken raising is a difficult task in this area, but add that much could be done toward flock improvement. Diseases, usually stemming from wet weather and poor feeding, are handicaps which could be overcome by following proper methods of housing and feeding. It is indicated, for example, that imported feed is expensive and that if it were possible to establish a factory to mix various local and imported feedstuffs and market the final product at prices lower than the imported product, it would not only be a boon to the industry but would attract more capital investment to the poultry industry. However, several factors exist which would make the establishment of such a factory impractical at this time, as explained further on in this report. The

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lack of roads connecting the urban centers with sections of the interior, where climatic conditions favor the raising of poultry, greatly hampers the complete development of the poultry industry.

PRODUCTION STATISTICS

The agricultural, livestock and poultry census of 1942 gives an over-all picture of local production of agricultural products, livestock and poultry at the beginning of 1942. However, since the census is based on estimates prior to actual production, data furnished may be high. For instance, the census shows the Republic of Panama as having, at the beginning of 1942, about 1,080,000 chickens, of which 422,713 were reported to be concentrated in the province of Los Santos. The estimated egg production from this flock was given as 91,147 dozens weekly, or about 4,739,644 dozens per year. These figures are considered high in view of later Section censuses taken and present estimates prepared by the Ministry of Agriculture based on reports received from agricultural sections, which give the number of chickens in 1947 as 1,527,751 and egg production as 4,309,432 dozens of eggs yearly. A comparison of the two sets of estimates shows no great differences, whereas the Section of Agriculture feels that some advancement has been made in this direction within the last few years.

Additional agricultural and livestock censuses have been taken by the Government in the District of Penonome (1943), in the provinces of Los Santos and Herrera (1945), and in the province of Chiriqui (1946), but the data provided by the last named census have not been made public as yet. The absence of complete and accurate censuses of the entire Republic makes it difficult to estimate actual production, and figures supplied in this report are, consequently, the results of studies based on the censuses available as well as spot censuses taken in certain localities. The following statistics released by the Section of Agriculture show the estimated number of poultry in the Republic of Panama as of December 31, 1947:

Chicken Statistics 1947

Provinces	Roosters	Hens and pullets over 6 mos.	Chicks under 6 mos.	Total
	Number	Number	Number	Number
Bocas del Toro....	1,049	2,906	4,116	8,071
Cocle.....	23,002	62,043	90,241	175,286
Colon.....	2,583	9,498	10,831	22,912
Chiriqui.....	42,357	94,658	149,053	286,068
Darien.....	2,018	5,588	7,915	15,521
Herrera.....	26,089	55,629	105,213	186,931
Los Santos.....	44,812	137,992	152,945	335,749
Panama.....	19,209	76,760	121,177	217,146
Veraguas.....	32,849	93,605	153,613	280,067
Total.....	193,968	538,679	795,104	1,527,751

According to the Section of Agriculture, the average laying capacity of hens in Panama is estimated at eight dozen eggs a year. Using this estimate, the production of eggs in the Republic of Panama approximated 4,309,432 dozens during the year 1947.

Hens raised scientifically have produced as many as 200 eggs a year in Panama.

Peak production occurs during the dry months from January through April, whereas during the remaining months, the rainy season, production falls off from twenty to thirty percent.

The Section of Agriculture has reported that from the period from January 1, 1947 to January 1, 1948, an increase of 3.6 percent has been registered in the number of laying hens and pullets in the Republic and likewise an increase of 6.6 percent in baby chicks. The greatest increases are reported to have occurred in the provinces of Panama and Colon.

It is further reported that there are in the Republic at present about 35,000 small farmyard farms, but that the majority of those do not have more than ten chickens each and that these small flocks are grown by the natives as a source of food for themselves and their families, and as a means of obtaining other items of necessity by the barter system. However, it is estimated that a fair percentage of this production finds its way to the markets. It is not believed that there are more than 20 chicken farms using modern, scientific methods, and most of these are located in the provinces of Panama and Colon. These farms average 2,000 chickens each, with the exception of one with 8,000 chickens, of which 5,000 are reported to be laying hens producing 200 dozen eggs daily during the peak season, and another with 15,000 chickens, reporting a sale of about 4,500 dressed chickens monthly.

The Government is becoming more and more interested in bettering native production and towards this end has imported, on a small scale, baby chicks and older birds for breeding purposes. The Section of Agriculture has a small appropriation for the promotion of better poultry raising in the Republic, and has appointed extension personnel to tour the Republic giving advice and encouragement. As a result, for experimental purposes, 30 farmers have been picked in the towns of Arraijan, Capira, Chame and El Higo, all within 60 miles of the city, to whom credit has been extended for the purchase of baby chicks, feed and medicines, on the condition that they follow instructions issued by the Section in the raising of poultry. Panama's tropical climate, with nine months of rainy weather, renders poultry raising a difficult enterprise as there is a high susceptibility to disease, especially of the virus type. For this reason, in order to meet with the highest measure of success, poultry is raised off the ground by the more successful raisers. However, because of limited financial means of the farmers, the most economical method of raising poultry is being employed in the experiment. This involves the placing of chicks in specially constructed cages for a period of three months, after which time they are placed in a grassy plot of ground about

25 feet square. After the grass in this plot has served its purpose, the chickens are moved to another plot of grass. The farmers have met their credit obligations fairly well, but the Agricultural Section reports that it has been difficult to persuade them to change their ways and to teach them to follow the methods prescribed. The Section of Agriculture in charge of importing chicks reports that about ten percent of the chicks imported die before purchase by farmers. Of the 30,323 imported in 1947, 27,252 survived and were sold. It is estimated that another 10 percent die after purchase and transfer to farms. The majority of the baby chicks sold by the Section are inoculated against croup, and buyers are cautioned to inoculate them against chicken pox after they have reached the age of six weeks. Failure to comply with this suggestion accounts for a fairly high mortality rate.

The mortality rate of native chickens which do not receive proper care and feed is reported to be as high as 80 percent. This high death rate is attributed to the following: the wide-spread existence of pullorum disease; improper diet, causing extreme vitamin deficiency; failure to vaccinate; and allowing the chickens to run on contaminated ground. There is a lack of stations in the vicinity of farms to provide inoculation service and to give advice and make periodic inspections. The inoculation service provided by the Section of Agriculture in the city of Panama has a limited radius and the personnel assigned to this task is insufficient. Complete figures on inoculations of poultry in Panama are not available. The only figures obtainable cover services performed by the Section of Agriculture in the city of Panama, which totaled 15,294 in the year 1947, 11,002 of which took place in the province of Panama, 3,723 in the province of Colon, and 569 in the province of Cocle.

As previously mentioned, there is a great need for a factory to produce local feed at prices below the imported article. However, as most of the necessary ingredients would have to be imported and the ones available locally are in extremely limited quantities, the establishment of such an organization will probably not be considered at present. There is already one poultry raiser who mixes feed for his own use and he states that this constitutes about 20 percent of the feed consumed by his flock. There is also one local firm which mixes feed for sale to poultry raisers but since so many of the ingredients have to be imported, his product is priced almost as high as the imported item. He states that he sells about 1,000 sacks of 100 pounds each of this feed monthly.

CONSUMPTION STATISTICS AND IMPORT REQUIREMENTS

Because of a lack of records, exact consumption in the Republic of Panama is impossible to determine and must perforce be estimated. As previously stated, production figures must also be estimated. In this connection, it should be noted that much of the production of remote villages is consumed by the individual farmers and their families and that a fair percentage is used in bartering for other necessities of life.

There are no exports of poultry and eggs from the Republic of Panama and for this reason consumption would equal total available local production plus imports. The bulk of imports of fresh poultry and eggs is consumed in the terminal cities of Panama and Colon. Only limited information is available on the quantity of poultry and eggs from the interior which find their way to the markets. The table, furnished by the Panamanian Statistical Office, represents the movements of live poultry and eggs through the customs at Arraijan on their way to Panama City, and covers only the first six months of 1947, as later figures are not available. Figures on produce coming into Panama from other local sources are not available.

Produce from Interior Destined to City Markets
First Six Months of 1947

Month	Live chickens Number	Estimated value Dollars	Eggs Dozens	Estimated value Dollars
January....	37,730	56,474.50	27,719	10,915.93
February...	42,978	64,466.00	44,833	18,285.00
March.....	33,000	49,496.00	32,272	12,823.00
April.....	29,825	44,737.50	36,207	14,566.00
May.....	32,592	48,888.00	29,093	11,734.00
June.....	38,326	57,489.00	35,392	14,261.50
Total...	214,451	321,551.00	205,516	82,585.43

At this point mention must be made of the importation of poultry and eggs by the Canal Zone and its effect on consumption figures applying to the Republic of Panama. As is known, many residents of the Republic are employed by United States Government agencies in the Canal Zone and these persons are allowed to purchase in the Canal Zone commissaries, where prices are cheaper than in the Republic. A survey conducted by the Embassy, revealed that during the fiscal year 1946 there were approximately 35,131 residents of Panama employed by different United States Government agencies in the Canal Zone. This figure was much lower during 1947 but still high enough to have a noticeable effect on Panamanian consumption of poultry and eggs. A Commissary Division official stated that his division imports for sale in the commissaries an average of 135,000 dozen cold storage eggs monthly, and from 120,000 to 130,000 pounds of cold storage dressed chickens monthly. Of the above, from three to four percent is sold to ships transiting the Canal and thus would not apply to local consumption. (The figures given here do not include imports by United States Army post exchanges and Navy ships stores in the Canal Zone). In 1947, official sources reported that the population of the Canal Zone as of April 1947, totaled 47,352 inhabitants, of which 22,102 were United States citizens. Only a small quantity of eggs and chickens produced in the Republic is sold to United States Government agencies in the Canal Zone.

Conversely, many residents of the Canal Zone prefer to consume fresh eggs and fresh poultry and purchase these items from the Republic. As

these are individual purchases there is no way of determining their extent but they are not believed to be very great.

As reported earlier in this report, egg production in the Republic of Panama for the year 1947 was estimated at 4,309,432 dozens, based on 538,679 laying hens producing an estimated eight dozen eggs yearly. At least 25 percent of this figure should be deducted to account for loss, spoilings, and eggs used for hatching purposes, thus leaving 3,232,074 dozens of locally produced eggs available for consumption. Adding 1947 imports of 470,649 dozens, it would appear that Panama consumed 3,702,723 dozen eggs in the year 1947, not including the eggs purchased from the Canal Zone commissaries by residents of the Republic. Considering the latest estimated population census of 723,000 inhabitants in the Republic, it would appear that the average number of eggs consumed by each inhabitant during the year 1947 amounted to over 5.1 dozens. The Republic's consumption of eggs purchased in the Canal Zone would increase the consumption mentioned above, but it is not possible accurately to estimate the extent.

FOREIGN TRADE STATISTICS

There are no exports of poultry and eggs from the Republic of Panama.

Import statistics on fresh and refrigerated poultry are impossible to ascertain as there is no breakdown and all fowl are recorded in bulk in import statistics. Imports of poultry for breeding purposes have not been obtainable to date and, therefore, will not appear in this report.

The Panamanian Statistical Office has furnished the following statistics covering imports of baby chicks and eggs into the Republic of Panama for the year 1947:

Baby Chicks Imported 1947

<u>Country of Origin</u>	<u>Amount</u>	<u>Value</u>
	<u>Number</u>	<u>Dollars</u>
United States.....	114,893	19,924
Colombia.....	2,300	345
Cuba.....	300	50
Great Britain.....	100	28
Total.....	117,593	20,347

Of the total number of chicks imported during 1947, 30,323 were for the Section of Agriculture for resale to farmers. The largest single individual importer claims imports of 5,000 baby chicks monthly.

Fresh Eggs Imported
1947

Country of Origin	Amount	Value
	Dozens	Dollars
United States.....	356,783	175,565
Argentina.....	42,000	21,770
Hong Kong.....	320	208
Costa Rica.....	38	21
Total.....	399,141	197,564

The following figures supplied by the Panamanian Statistical Office showing 1947 imports of eggs into the Republic of Panama, by months, do not agree with the total of 1947 egg imports by countries of origin given in the previous paragraph. It is understood that the discrepancy is due to the fact that both are preliminary figures.

Fresh Eggs Imported
1947

Month	Dozens
January	50,250
February.....	19,800
March	25,600
April	10,500
May	47,250
June.....	60,405
July	9,300
August	45,593
September	64,862
October	55,415
November	39,832
December	41,842
Total	470,649

WHOLESALE PRICES AND TRENDS

One leading importer of eggs from the United States stated that during the year 1947 his company sold eggs at wholesale from 75 to 80 cents a dozen.

Good quality local fresh eggs wholesaled at from 90 cents to \$1.00 a dozen during the year 1947. Native eggs of poorer quality were offered wholesale at from 60 to 70 cents a dozen.

Imported cold storage chickens wholesaled at 75 cents a pound during the period, according to a leading local importer. Native chickens from

scientifically raised flocks were sold wholesale as follows: live, 65 cents a pound; New York dressed, 75 cents a pound; cleaned and dressed, ready to cook, 90 cents a pound. Native chickens from flocks of inferior quality sold much lower, according to the individual grower and to local demand.

Prices on poultry and eggs are not stabilized in the Republic of Panama, and the producers charge according to their operating costs, current price of feed, quality of product offered, and clientele served. Moreover, prices fluctuate according to supply and demand. During peak of native production, imported eggs are lowered in price and when local production is low, during the rainy season, imported eggs rise in price. Prices in the United States, the principal source of eggs imported into Panama, naturally are also reflected in prices of that commodity to local consumers.

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